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Follow-up to the World Summit for Social Development: priority themes

Expert Workshop on Innovations in the Delivery and Financing of Social Services

Note by the Secretary-General

1. In its resolution 1996/7 of 22 July 1996, the Economic and Social Council decided on the substantive items of the agenda for the Commission for Social Development for its future sessions and on a multi-year programme of work for the consideration of priority subjects. The Commission discussed strategies and actions for the eradication of poverty at its special session of 1996; it considered productive employment and sustainable livelihoods at its thirty-fifth session in 1997. In 1998, at its thirty-sixth session, the Commission gave attention to promoting social integration and participation of all people, including disadvantaged and vulnerable groups and persons. The priority themes for the thirty-seventh session of the Commission in 1999 will be social services for all and an initiation of the overall review of the implementation of the outcome of the World Summit for Social Development.

2. In its resolution 1995/60 of 28 July 1995, the Economic and Social Council decided that the Commission for Social Development should establish the practice of opening its debates to experts and the main actors of civil society so as to enhance the exchange of information and experience, knowledge and understanding of social development. Furthermore, in its resolution 1996/7, the Council reaffirmed the need for ensuring an effective partnership and cooperation between Governments and the relevant actors of civil society, the social partners and the major groups[1] as defined in Agenda 21,[2] including non-governmental organizations and the private sector, in the implementation of and follow-up to the Copenhagen Declaration on Social Development[3] and Programme of Action of the World Summit for Social Development,[4] and for ensuring their involvement in the planning, elaboration, implementation and evaluation of social policies at the national level.

3. Accordingly, in preparing for the thirty-seventh session of the Commission for Social Development and in response to the expressed intentions of the Economic and Social Council, the United Nations Secretariat organized an expert workshop on innovations in the delivery and financing of social services, held at United Nations Headquarters from 13 to 16 October 1998. The expert workshop brought together experts from all world regions and observers from the United Nations system and civil society.

4. The report of the expert workshop is annexed below.

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Notes

[1] In addition to the social partners (representatives of trade unions and of business and industry), the other major groups identified in Agenda 21 are women; children and youth; indigenous people; non-governmental organizations; local authorities; the scientific and technological community; and farmers.

[2] *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3–14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex II.

[3] *Report of the World Summit for Social Development, Copenhagen, 6–12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex I.

[4] Ibid., annex II.

Annex

Final report of the Expert Workshop on Innovations in the Delivery and Financing of Social Services, United Nations Headquarters, New York, 13–16 October 1998

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I. Background, framework and goals

1. At the World Summit for Social Development, held in Copenhagen in 1995, Governments committed themselves to implementing far-reaching programmes of social development to improve the lives of people in all parts of the globe. Among these commitments was a commitment to strive towards ensuring access by all people to basic social services. Some three years on, it is only too evident that progress towards this goal has been at best modest. Although efforts have been stepped up here and additional resources allocated there, and new initiatives taken in many places — at various levels and involving different actors — the overall situation with respect to the availability and quality of social services has changed little. Indeed, it has regressed visibly in specific ways. This will be clearly demonstrated when the results of the comprehensive effort currently being conducted by the United Nations system to assess progress in meeting the Copenhagen goals for basic needs and services are completed and analysed.

2. The principal factors behind this lack of progress at a global level and regress in specific areas or sectors are briefly summarized below. It is recognized that a number of recent global developments have made it more difficult for Governments to deliver on their commitments; but there have also been internal failures to rise to challenges, old and new.

3. While recognizing shortcomings and failures, it is important not to overlook the specific, positive initiatives being undertaken in the spirit of the Copenhagen commitments. Such positive initiatives may be summarized under three headings:

4. **Participation by users of services in deciding what is provided and how**: From a concept that at the time of the World Summit was not widely or well understood, this is rapidly developing into a major force driving the reform, planning, funding and delivery of services.

5. **Resource mobilization and allocation**: There is a new understanding of the multidimensional nature of the resources that must be mobilized to meet basic needs and support the expansion and maintenance of quality social services. Thus, it is now recognized that resources comprise, in addition to the critical financial resources available to public authorities, also those of the private business or corporate sector, and those of the not-for-profit and voluntary sector; furthermore, resources are understood to mean not just cash, but also resources in kind, in the time and effort people devote to meeting their needs, and in organizational capacity. Finally, resources must include the skills, knowledge and capacities of the people for whom services are organized, including those of family networks, communities and locally based organizations.

6. **Information**: It has come to be recognized with particular force in the past three years that the availability of and access to basic information for all citizens is essential to ensure both their effective participation in all areas of national life and their ability to take full advantage of available social services.

II. New challenges and conditions

7. The heads of State or Government who met at Copenhagen were eloquent in their depiction of current global social conditions and courageous in setting out their commitment to addressing those conditions. It is certainly not our intention here to revisit or reinvent the analysis or the prescriptions set down at the World Summit. In the intervening years, however, certain trends may have become more pronounced, and we feel it imperative to draw attention to them here. At the same time, and because it is the task of the Commission for Social Development to encourage widespread implementation of the Programme of Action of the World Summit for Social Development,[a] we offer some ideas and suggestions for the Commission's consideration.

8. In a review of recent changes, it is perhaps most important to note that the biggest problem is the fact that many problems have not changed. Poverty, unemployment and social disparities — the issues addressed at Copenhagen — continue to plague all societies. The basic truth — that if they are not addressed urgently they could have catastrophic effects in a number of ways — has also not changed. Yet several factors have changed and others, which pose major challenges for the provision of social services, and by extension for the financing of such services, have emerged and will intensify over the first decades of the new millennium. These factors are summarized below.

9. Population growth and **rapid urbanization** will continue into the new century. By far the greatest part of this population increase and urban growth will occur in the cities of the developing countries. This means that these cities — which are already characterized by severe overcrowding, poor planning, lack of adequate physical infrastructure and social services, extreme poverty and environmental degradation — face the daunting task of having to provide, within a 30- to 40-year period, housing, urban infrastructure, social facilities and services, and jobs to accommodate new

populations which will be equal to or exceed their existing populations.

10. **Population ageing**: One of the emerging challenges for which social responses will be required is the ageing of populations. More people are living into old age and spending more years than ever before in old age. This has important consequences for the types of social provisioning and the patterns of resource mobilization that will be required to meet the service needs of ageing populations. In many developed countries, which have longer experience with ageing populations, one of the service dilemmas is how to continue to provide the critically needed services for older persons without creating or exacerbating intergenerational inequity. In the developing countries, where rapid rates of population ageing are occurring at the same time that social support is still mostly provided by extended families, such support — where it still exists — is becoming increasingly unreliable and inadequate; where no formal social safety nets exist for older persons, the challenge becomes to determine what basic services need to be provided to those older persons who have no children or whose children lack resources to provide care, and how best to provide that care. A further challenge will be to meet the service needs of older women in these societies — women who for their entire lives have been denied access to opportunities for building capital or saving and who now confront the triple jeopardy of old age, gender and poverty.

11. **Epidemiological profile**: As societies develop and populations age, the nature of the diseases that affect them also changes. The experience of the industrialized countries shows that demographic transition — from high fertility and high mortality to low fertility and low mortality — is usually accompanied by a health transition, whereby the regime of diseases undergoes a radical change. The old regime of mass infectious diseases, which afflict mainly children and the underprivileged, is replaced by a new regime of diseases (such as heart disease and cancer) and other health-related problems (violence), which afflict mainly the aged and both the poor and the better-off segments of society. The new regime of diseases is typically much more expensive to deal with than the old, but fortunately for most industrialized countries the new regime emerged only after they had become economically prosperous. This is not the case for the middle-income countries of the modern world. In these countries, the demographic transition has been telescoped within a few decades, and one consequence is that they are now facing an overlapping health transition problem, that is to say, the new regime of diseases has emerged while the old regime is still going strong. These countries are thus having to deal with two regimes at the same time, and at a level of economic development that is much lower than the level achieved by countries of the Western world when the new regime emerged among them. All this makes providing adequate health services in these countries much more challenging than anything previously experienced.

12. **New technologies**: In general, the introduction of new technologies can have positive effects on economic productivity and provides greater convenience for large numbers of people. The use of technology can substantially increase the range and scope of social service provision, even as it reduces costs for service delivery. It is important to note, however, that technologies are likely to have a wide variety of impacts on societies. Workers will be required to obtain continuous training in new techniques as technologies proliferate. Greater productivity and effectiveness promise greatly increased benefits for societies. How these benefits are distributed will become increasingly important to overall social well-being; this will be particularly true in cases where some segments of the population succeed through application of new technologies at the same time as others fall behind. Increased unemployment may occur in some sectors or regions, and the ill effects of unemployment on sustainable development in the global context were fully recognized at Copenhagen. Since then, however, the speed at which new technologies develop has accelerated, and it can be expected that this trend will continue in the foreseeable future.

13. **Globalization** puts pressure on many countries, particularly developing countries and countries with economies in transition, as they struggle to keep public finances under strict control in the face of increased competition in respect of the flow of goods and capital; it can also increase expectations and levels of impatience among under-served populations.

14. This has been demonstrated vividly by the recent global financial crisis. In an era of rapid globalization, a financial crisis in one country is no longer the crisis of that country alone. As recently demonstrated in the instances of East Asia, the Russian Federation and Latin America, what was initially a localized financial crisis quickly proved to be contagious as international investor confidence melted. The result was that many developing economies became engulfed and the entire global economy was threatened. The severity of the current financial crisis raises an important issue captured by the metaphor of the double-edged sword: the crisis is likely to diminish sources of financing for social services at the same time that it generates new and perhaps previously unrecognized needs.

15. The increased communications and rapid opening of world markets inherent in globalization have resulted in growing awareness among consumers of the different living standards and general welfare enjoyed by people of similar socio-economic strata elsewhere. This is particularly true in developing countries. Global television, cinema and other media expose diverse populations to the standards that prevail in other countries, and it is then natural for these populations to demand similar standards. The social sector is particularly affected. People can see levels of service in health and education that they once associated only with the very rich; they then begin to question this and demand to know why they cannot obtain the same standards. Not only does globalization expose people to the disparities in standards of living among peoples and countries, but it can also contribute to changing the balance of those disparities, as some societies benefit from its effects while others languish. For many developing countries, globalization, increased competition and the consequent financial constraints make it more difficult not only to raise well-being to the levels enjoyed in developed countries, but also to maintain the levels of social service provision they themselves enjoyed until recent years.

16. **Disruptions and dislocations caused by war and conflict**: Innovation in the delivery and financing of social services can be considered only in an environment free of major violent conflict and where the security situation will permit such innovation. In recent years, many of the world's poorest nations have also been burdened with the outbreak of internal and external conflict of varying intensity. Where rudimentary social services have been available, the outbreak of war can result in the demolition, looting and disruption of whatever services and facilities existed in the past. Not only does conflict put an end to existing services, it also makes it impossible for Governments to allocate necessary resources and carry out the planning and implementation of basic services needed by their people. Conflict often puts an end to whatever services were provided by local national or voluntary organizations and also makes provision of external technical support difficult or impossible. It becomes essential, therefore, that every effort be exerted to prevent violence and put an end to conflict where such situations exist. Social development is impossible when basic essential social services are denied to the civilian population and where vulnerable members of the community are indiscriminately exposed to bombing, summary execution, rape and the threat of landmines.

17. In a situation where the conditions of violence and insecurity affect a growing number of communities and peoples of the developed and developing world, parallel actions should be implemented at the national and international levels. On one hand, all types of external assistance should be denied to "warlords": in order to exert effective pressure on them to resolve conflicts, resources should be withheld until peace is achieved. On the other hand, international voluntary organizations should continue to support the initiatives of local communities to provide basic shelter, health care, nutrition and education to the affected peoples. Refugees and displaced persons are particularly vulnerable and in need of social services that provide both immediate assistance to ensure survival and longer-term rehabilitation to permit the resumption of normal lives.

18. The need is becoming more urgent to arrest **environmental degradation** which has resulted from previous unsustainable development efforts. New efforts to reduce poverty and address a range of social problems must be planned on the basis of environmental sustainability.

19. **Democracy**: The number of countries currently holding elections to select authority is unprecedented. While it must be recognized that in some cases this is little more than a formal exercise, the global tendency is nevertheless towards increased participation in governance activities, particularly at the local (municipality, community) level. It is at this local level that social services are usually best perceived by the population. While citizens may be less concerned with governing philosophy they understand very well — and demand — services to meet their immediately perceived needs. Depending on this response, they will vigorously exercise their right to vote and will determine the fate of local authorities. This reality provides a major incentive for political actors to promise sound and appropriate social services (in order to be elected) and then, once in office, to actually provide them (in order to ensure re-election).

20. **State reform**: Many reforms in the social sector take place in the context of reform of the State. The main motivation for reform has often been a perceived need to increase efficiency and reduce public expenditure, rather than to improve the range and quality of social services. As such, these reforms — although affecting the social sector — have generally been spearheaded by the planning ministry or the financial sector, not the social sectors. The social sectors have often taken a rather weak stance by not trying to push their agendas. The result has usually been a situation where countries may have achieved some degree of macro-equilibria in terms of public finance — but often as a result, at least in part, of a reduction of social services, particularly those services oriented towards the poorest sectors of the population. The need to improve the articulation of social

goals as well as to establish a valid dialogue between the financial and the social sectors should be a main consideration of the social agenda.

21. **Promotion of primary services and prevention strategies** takes on increased importance. Several international publications, including the World Health Organization (WHO) Declaration of Alma-Ata,[b] the *Human Development Report* of the United Nations Development Programme (UNDP) and the *World Development Report, 1993: Investing in Health*,[c] of the World Bank, have shown that there are considerable savings to be derived from concentrating on primary levels in health care. Similar arguments have been made for primary education. Furthermore, interventions at the preventive or promotional level in public health have been shown to be extremely cost-effective. Nevertheless, little reallocation of resources from the secondary or tertiary levels to primary care in health or basic education has taken place.

22. Regardless of the country, we are likely to see higher demands for services combined with curtailed financial support. Service rationing is a likely consequence, and utilization management based on best practices will drive the allocation of resources. Universal services will be based on new delivery systems and objectives. Shifts to prevention services will be common. For action to be taken and for progress to be achieved, clear targets and strong political commitment must be established.

III. Mechanisms of service delivery

A. Setting priorities

23. Critical to the successful realization of the goals established by the World Summit for Social Development with respect to achieving basic social services for all is the nature of the mechanisms that exist within each country for the setting of national priorities. However well intentioned the commitments "on paper" may be, they will only be assured of being translated from desirable goals into tangible accomplishments if sufficient political support can be generated at critical stages of the decision-making process. Such support is best assured if the groups that have the greatest interest in their realization are able to strongly influence the decision-making process, and can ensure that there will be the necessary political will to carry through to successful conclusions. This takes us into the realm of governance, which is the process by which a society makes decisions about the needs of its citizens, the relative priorities to be placed on different needs, and how its available resources — financial and otherwise — are to be utilized to support those agreed priorities. Governance speaks to such issues as:

(a) Choice as to which services are to be provided and how decisions with respect to those services are to be made;

(b) Decisions about who will be the beneficiaries of the different services, and on what basis they will have access;

(c) Consideration as to how services will be financed or otherwise provided with the resources required for their effective operation.

24. Good governance — which includes responsiveness to the needs of citizens as expressed by the citizens themselves — and adherence to best practices in executing the functions of government are essential to ensuring that commitments made in respect to universal access to basic social services will be honoured. While it must be appreciated that systems of governance will vary among countries because of differences in history, culture and other circumstances, there are certain characteristics that greatly increase the likelihood that canons of good governance will apply, and this also enhances the likelihood that basic social services will be provided in a manner that is satisfactory to the population. These characteristics may include:

(a) A democratic system of government;

(b) A highly participatory model of governance , which facilitates the wide-scale involvement of representatives of civil society and other stakeholders in the decision- and policy-making processes of the country;

(c) A high degree of decentralization, which provides a framework for the involvement of a wide range of actors, including representatives of local government, the private sector, and non-governmental and community-based organizations, in the provision of social services, in varying capacities;

(d) Free, open and professional media with diversity of ownership and control.

25. A participatory model of governance can also make significant contributions to the prospect of achieving universal basic social services, through its effectiveness in a number of areas that currently constitute major constraints or pose severe risks to effective social service delivery, by, *inter alia*:

(a) Reducing or eliminating corruption;

(b) Ensuring greater accountability and transparency;

(c) Reducing waste and misuse of services;

(d) Providing an effective mechanism to ensure appropriate monitoring and provision of feedback with regard to service delivery.

26. There are no simple, fixed relationships between a social need and its satisfaction through the provision of a social service. Social services need to be provided within particular social and cultural contexts, in ways that respect universal human rights, and the satisfaction of needs should encourage or take into account traditional local solutions. In the light of the new challenges, social services need to be delivered in ways that do not restrict access. The State needs to set in place transparent procedures and mechanisms to ensure that the services reach the recipients. The delivery of social services should integrate mechanisms for monitoring and feedback. In principle, all mechanisms of social service delivery should be impartial and culturally acceptable. On the other hand, the notion of the "passive recipient" should be transformed into that of the "active participant" who defines the service in accordance with perceived social needs, evaluates its efficiency, provides ideas to improve its quality and makes sure that the user feedback provided is taken into account.

B. Ensuring participation of users

27. Provision of services by the State does not by itself ensure effective utilization of services. There is, for example, no dearth of empty rural health clinics in the developing world, where the poor can find neither doctors nor medicines. Lack of resources is not always the main reason for this phenomenon. The main problem is that there is often very little incentive for health authorities to ensure that doctors and medicine are available at remote places at the right time. One solution lies in active involvement by the local population in ensuring that the services meant for them are actually provided to them. For example, experience has shown that educated and politically conscious rural people can ensure, through local agitation, that the rural clinics in their villages run properly, while in other places where the general population is neither so well educated nor so politically conscious, empty clinics will still prevail.

28. There is a worldwide need for a revolution in the provision of education and training. This revolution should take into account the specific training needs of populations for basic nutrition; primary health care; reproductive health care; childbirth attendance; childcare; pre-school education; basic literacy; building skills; and improved agricultural techniques that promote environmental sustainability. Apart from equipping people with the skills they require to provide for their own basic social service needs and those of their communities (thus preparing the ground for transforming passive recipients of social services into active participants), this type of revolution could alleviate unemployment and update sometimes-irrelevant educational systems. In many countries, secondary and tertiary education still follow obsolete patterns which are in no way linked to existing or potential job opportunities. Education and training should not just impart information and equip people with specific skills, but also aim to teach people how to learn, to adapt and to use knowledge, so that they will be better able to respond to rapid changes in economic conditions and employment opportunities.

29. Users will participate when they are assured that they will benefit from the results of their input. A direct relationship is necessary between input and outcome. Participatory mechanisms should ensure that special attention is given to involving participants who are indeed stakeholders in the process and who have a fundamental interest in its outcome. Users also need to be given sufficient background information to be able to direct their inputs. Users of services may be represented at several levels: they may be primary users, secondary users or users indirectly affected by outcomes. For example, in situations where grandparents are undertaking increasing responsibility for rearing their grandchildren as a result of increasing single parenthood or loss of natural parents from accident or conflict, they become more fundamentally involved, as stakeholders, in decisions affecting child-rearing.

30. Institutional mechanisms should ensure user involvement in an advisory, focused input or governance capacity. Indeed, user input needs to occur before the institutional structures are established. Such elements as accessibility, user-friendliness and effective services based on perceived needs are essential. User participation should be based upon simple values and principles related to the social services system. For example, parents should generally be considered the primary caretakers and their inputs on child-rearing should be weighted heavily in decision-making.

31. Clustering several services has been found a useful technique for providing people with important services that they may not value initially, such as vaccinations and inoculations. Providing different services in one place offers multiple pay-offs for users and can encourage more socially appropriate use of services — for example, by providing

food subsidies linked with health-care services, both user and public needs can be met.

32. Widespread awareness of the availability and quality of services is important. Appropriate techniques, including word of mouth, are important in conducting public awareness campaigns. Enlisting users in both marketing and public relations efforts can result in improved efficiency in both input and delivery systems.

33. However, providers are often not the most appropriate persons to enlist user input. Advocacy groups sometimes play a key bridging role; but the tools employed by advocates need to include bridge-building skills, as well as other, perhaps more commonly employed methods such as confrontation and conflict.

34. Whenever the leadership of a community comes together on a sustained basis, it can have a powerful effect on system change, development, monitoring and initiation. "For the good of the community" the leadership can choose a focus that reflects the priorities of populations — issues such as child abuse, violence and educational and vocational training are ready examples. A prestigious foundation or corporation can provide funds, but equally important is the knowledge that community leaders are involved and are being held to a higher standard — that is to say, a joint effort to address child abuse. For example, in one community, all the representatives of law enforcement, the judiciary and the media and executives of private non-profit agencies have joined politicians and social services administrators to compose a leadership forum. It meets quarterly to share information and to look for gaps in the social service system. All members agree that nothing discussed in the meeting can be used against another member and there is strong pressure to enforce this credo.

35. Partnerships are formed and succeed when mutual needs are met. Corporations need workers — educated workers — and workers with a "work ethic". The costs of recruitment, training, maintenance and replacement of workers suggest that companies would be wise to invest some resources initially in developing and keeping good workers, rather than substantially greater resources later, in continuously recruiting and training new workers. One outcome is a partnership for education that focuses on appropriate skills development starting in early childhood. For example, in one particular community, the money spent on recruitment at the college level has been cut in half to fund lower-grade education.

36. One never knows when an individual will become a user of any social service. In principle, therefore, investment in good, high-quality services that are affordable, accessible and community-based is in every person's interest. In this context, firms have developed new ways for their employees to invest in the community and in services they may need at some point. A "day of helping", whereby companies allow employees time off to do volunteer work in their communities, can bring much-needed human resources to social service agencies. The experience gives company employees greater awareness of social concerns and an increased investment in the agency, with concomitant increases in loyalty and knowledge.

37. Some users cannot speak for themselves. The very young, and sometimes the ill and older persons, are examples of such users. They are users who should not be forgotten. Groups of volunteers should reach out to these groups to bring them into the system.

C. National level

38. Insofar as social services are concerned, most Governments are likely to continue to play a major role in service delivery. In principle, countries should seek to preserve, maintain and improve that part of their existing social service infrastructure that functions well. This is true for the "planned economy" as well as for the "mixed economy" and "market economy" countries, and is relevant not only to developed countries but also to developing countries. The only difference among countries stems from the fact that the nature of the role played by the State may vary. In some cases, the State will remain the main service provider. In other cases, the State's role may evolve so that it becomes more a guarantor of national minimum standards and an enabler of provision by other actors. The functions each Government chooses to undertake will vary, and there is no one model for service provision. Sometimes, the State will play the role of independent provider, and other times it will undertake partnerships with other providers, such as quasi-governmental agencies, cooperatives, civil organizations, non-governmental organizations, non-profit organizations and the private sector.

39. It is likely that in some cases the State will have to remain the "provider of last resort" for small segments of the population but, increasingly, the responsibility for a broad range of services will fall to partnerships of numerous actors, most often operating in local communities. Governments will nevertheless continue to determine how public resources will flow to users.

40. The goal for service provision should be to reduce the inevitable gaps in the safety net to the smallest possible size; occasions where people "fall through the gaps" should

become the exception rather than the rule. Achievement of this goal will continue to require some degree of national-level planning, monitoring and evaluation of social services. Only through the establishment of a system of trained professionals who can achieve a broad overview can comprehensive safety nets be achieved. Individual service providers, with their focus that is more local, may find it harder to invest in the concept of the community safety net.

D. Ensuring access for all

41. On the issue of universal access to services, it is necessary to distinguish between universalism as a goal and universalism as a means. It is perfectly reasonable to set the universal goal that every citizen should have access to at least a basic minimum level of social services, but this does not necessarily require the State to take upon itself the responsibility for providing services to everyone. In fact, it may sometimes be necessary to target public provisioning towards specific groups in order to ensure universal access for all. For instance, if the State tries to provide free food or free health services for all in a resource-poor economy, it is quite likely that the rich and the powerful will corner all the benefits, leaving precious little for the really needy. Since the rich would have enjoyed the services anyway, even without State provisioning, universal access can be ensured in this situation only by targeting the subsidy to the poor.

42. All States, rich and poor, should aim, however, to provide free (or heavily subsidized) universal services of certain basic kinds, such as primary health care and primary education. It has to be recognized that providing free services to some or all people requires resources and therefore is not free to society. However, as has been demonstrated by a number of poor countries, free universal provisioning of these services should not be beyond the financial capacity of even the poorest of countries. The reason is that these services are essentially labour-intensive in nature, and labour is cheap in poor countries. In fact, the poorer the country, the cheaper its labour, and hence the cheaper it is to provide these services.

43. Beyond the basic level, however, fees might be charged but subsidies would have to be targeted towards the poor. In most poor countries, the very opposite happens to be the case. The lion's share of State subsidies in health and education goes towards expensive activities such as sophisticated curative practices and higher education, whose benefit accrues largely to the rich. These inequities must be reversed and State expenditures reallocated, so that greater access can be ensured with the same level of resources. The rich must be made to pay for the expensive services, be it through the market or through State provisioning with user charges.

44. While targeting is essential, it is not easy. Many attempts to target subsidies to the poor have in fact ended up diverting benefits to the wrong people. The ideal solution is to devise self-selection mechanisms whereby the target population will select itself to claim the benefit while the rich will by and large exclude themselves in their own interest. Successful examples of such self-selection mechanisms can be found in the area of credit delivery (for example, in the well-known Grameen Bank model) and in the food-for-work programmes used in many developing countries; but such mechanisms are yet to be devised in other areas, such as health care and education. A complementary method of ensuring proper targeting is to devise institutional mechanisms for involving the population at large in the formulation and implementation of service delivery schemes.

45. When resource constraints are severe, it may be necessary to charge some fee even to the poor. The point is simply that if it becomes possible to ensure universal access to services by charging a small fee to the poor, this is much better than not providing any services at all owing to lack of resources. It needs to be recognized that the poor are actually more able and willing to pay for the services they need than is often supposed. What is needed, though, are appropriate institutional mechanisms that would enable the poor to pay with a minimum of pain. A major problem facing the poor is that the perennial pressure of "making the two ends meet" makes it difficult for them to save up enough to pay for services when they need them most. One possible solution of this problem — one that has been tried with some apparent success in one Asian country in the sphere of health care — is to introduce vouchers that the poor may buy whenever they can afford to do so (for example, immediately after a harvest in the case of the rural poor) and use to pay for services whenever they need them. Another solution is to employ the technique, used successfully by many non-governmental organizations, whereby the poor are required to save regularly in small amounts as a precondition for receiving services such as credit or training. These savings can then be used as a potential source of financing for additional services.

IV. Resources

A. Understanding resources

46. As noted earlier, it is important, for the purpose of deciding the level and nature of social service provision and its detailed planning by Government, to view resources broadly. The provision of services will typically involve a combination of different types of resources, provided by different social actors, public and private. In different communities, different types of resources are particularly scarce, and prudent planning requires one to make the greatest use possible of those in ample supply and to economize those in short supply. In some communities, time is a plentiful resource, and this may be mobilized in the form of voluntary labour and volunteering. The organizational skills and logistic capacity of business are another resource that is often overlooked in poorer countries but put to good use in more developed economies for non-profit community activities.

47. The most commonly overlooked resources are the knowledge, skill and capacity for self-help of the persons for whom social services are provided. When these are imaginatively combined with other resources, the benefits that can accrue to those people and to society at large are much greater than the sum of their parts.

48. It is important also to distinguish the real resources needed to support social services, in terms of equipment, infrastructure and people's input of labour, from financial resources. Concern with financial resources serves to focus attention on the methods by which real resources can be channelled to particular uses rather than on their level and on whom the burden of funding falls.

B. Mobilization, allocation and effective use

49. In all countries, the major part of some social services has to be provided or supported through the public sector in order to ensure equitable accessibility. Therefore, ensuring adequate sources of revenue to support these services is also essential.

50. Resources to support the provision of social services typically come from a combination of three sources:

(a) Fees for services, paid by beneficiaries;

(b) Public subsidies, provided by government from fiscal revenues at local, state or national level;

(c) Voluntary contributions, domestic and international.

51. Modalities of resource mobilization have implications for both equity and universality of access as well as for quality of services, as has already been stated. Universality of access (the solidarity principle), whereby different income groups have equal right and access to social services, helps ensure high quality of services. Attempts to subsidize access to and costs of basic social services for the poor, and to target only the poor, may not be successful if they lead to a situation where there are insufficient resources to ensure overall quality.

52. Provision of social services requires that the resources needed to be balanced against resources devoted to non-social services. To the extent that social services are financed and provided by government, the budget process and the political system are the main instruments through which the exact allocation of resources to social sectors is decided upon. Other factors also affect this allocation, such as the stage of economic development, the availability and type of external assistance, and the source and nature of domestic resource mobilization.

53. Different sources of financing often have different implications for equity and efficiency, and these in turn affect the effective delivery of social services. For example, broad-based tax systems with simple tax structures and few exemptions can increase the resources available for the country as a whole and allow more room for experimenting with alternative forms of social service delivery, including funding services delivered by private sector or non-governmental organizations. It has been found also that the more transparent the instruments of resource mobilization, and the more service delivery is tied to these instruments, the more effective service delivery is ultimately. A contrary example is that of funds raised at the local level that are passed on to the central government and then transferred back to local governments in the form of intergovernmental grants; here, the quality and delivery of social services by local governments may suffer because the system of intergovernmental grants has vague sharing formulas which divorce the costs and benefits of delivering services. In addition, experience shows that when the costs of providing services are delinked from the community that benefits, the quality of social services is likely to be poor.

54. The total amount of revenue available to pay for all public goods is subject to political choice, as is the proportion of that which is allocated to social services. There is currently a widespread tendency to believe that revenue raised through taxation must be cut, under pressure of

immutable global forces. In fact this is a misleading simplification. For example, in advanced economies, revenue collections have not fallen at all so far; in fact, in Organisation for Economic Cooperation and Development (OECD) countries, the average proportion of gross domestic product (GDP) collected as revenue has continued to edge up.

55. Increases in revenue collections are quite feasible for most countries. The exceptions are those in which the ratio of revenue to GDP is already very high. Increased collection can commonly be achieved simply by improving the efficiency of tax administrations. In contrast to developed countries, developing countries not only collect too little in the way of tax revenue in relation to GDP, but also face a vicious circle of tax evasion and under-provision of social services. That tax evasion leads to poor quality as well as low levels of social service provision in turn reduces people's incentive to pay tax and leads to a larger informal economy. Developing countries need to break this vicious circle by improving tax administrations, simplifying the tax structure and broadening the tax base. Other possibilities include reducing tax expenditures; increasing the progressiveness of tax systems; and introducing or increasing taxes on activities widely recognized as being damaging, such as pollution (for example, taxes on the emission of greenhouse gases, of which petrol taxes are a clear and widely accepted form) and financial volatility (for which a tax on currency transfers or dealings, such as that proposed by Nobel laureate Professor James Tobin, would be a useful antidote).

56. At the very least there is nothing inevitable about revenue reductions, particularly if countries discuss the issues cooperatively and agree that they will maintain standards of social service provision. Taxes and charges may be more politically acceptable when linked with the improvements in services they are used to pay for. For example, revenue from a Tobin tax could be used to pay for other financial stabilization measures and to compensate those most damaged by financial volatility.

57. What Governments often buy (that is to say, the composition of government expenditure) can often adversely affect resource mobilization. For example, too often more resources are used to fund wages and salaries in social sectors and fewer resources are available for purchasing equipment and supplies such as drugs or textbooks; and yet, the latter is important for effective service delivery. Within many national budgets there may well be scope for reconsidering the allocation of resources, for example, by reducing military outlays and those on "intelligence services", in order to release funds for higher-priority social services. Such reallocation has the twin benefits of improving services and of increasing labour-intensive employment. The essential point to remember is that some of the widely perceived constraints may not be as predetermined as market fundamentalists claim.

58. In industrialized economies, the service sector, including social services, is increasing in importance in relation to both agriculture and industry. The delivery of social services, despite trends towards displacement of labour through new technologies, including communications technologies, tends to be relatively employment-intensive. This can have positive implications for resource mobilization as well as for the quality of services. For example:

(a) The fact that social services create new local employment opportunities improves both the local and the national tax base which is used to finance social services;

(b) By improving workers' incomes through employment-based delivery mechanisms, the beneficiary's ability to pay for services is enhanced;

(c) Employment-intensive approaches for delivery of services link supply and demand side strategies for both delivery and financing;

(d) Additional benefits of employment-oriented delivery mechanisms include improved quality through more personalized approaches and reduced opportunities for corruption. Both of these factors lead to more efficient delivery of services with important implications for costs of delivery and resource requirements.

59. Finally, markets are unlikely to automatically orient delivery mechanisms towards employment-intensive approaches and therefore public policy interventions are necessary to orient both the technological and fiscal approaches in favour of greater use of labour and to ensure equilibrium between supply and demand for labour.

C. External resources

60. For many countries, external resources in various forms, including especially financial resources and expertise, can make an important contribution in terms of supplementing particularly scarce domestic resources and directing more resources into activities that promote social objectives. At the same time, it needs to be recognized that external assistance as a source of funding social services provides challenges for the providers as well as the recipient Governments. On the one hand, it is important that the desire to steer more resources to social needs and social service

provision not be at the expense of other critical recipient needs. On the other hand, it is equally important to recognize that, because funds are fungible, resources intended to support social programmes may actually pay for other activities.

61. Although commitment 10 of the Copenhagen Declaration on Social Development[d] emphasized the improvement and strengthening of the framework for international, regional and subregional cooperation for social development "in a spirit of partnership, through the United Nations and other multilateral institutions", more effort should be made to ensure that planning, financing, and implementation of programmes and projects reflect the principle of partnership in all its ramifications. To ensure this, the following specific guidelines are suggested:

(a) Fully involving participants and users in conceptualizing needs and planning social services to respond to the identified needs;

(b) Using to the fullest indigenous and local knowledge, wisdom and technical skills in the design and delivery of externally supported programmes;

(c) Ensuring that what is offered reflects actual local needs rather than the priorities of donor organizations;

(d) Avoiding onerous conditions, especially of the "one size fits all" variety, and minimizing unintended negative consequences arising from any conditions that may be attached to external financing;

(e) Taking steps to ensure that technical assistance provided at the international, regional and subregional levels takes full account of cultural differences and sensitivities;

(f) Being aware that, in addition to the provision of external financial resources, external assistance can also take the form of exchanges of expertise, shared initiatives of non-governmental organizations and other similar help. Such efforts can enhance the capacity of the assisted social services sector to design, implement, manage, monitor and evaluate projects so that services can be provided more efficiently.

V. Information

62. In an age of public/private partnerships, the need for timely, reliable, fully accessible and accurate information for all social policy-making is more vital than ever before. Both good governance and efficiency in service delivery and consumption require good information. Yet current information systems have proved to be inadequate at some times and unavailable at others. Information is generally not provided in a user-friendly and timely manner. Indeed, access to accurate information should be considered a part of citizenship and the democratic decision-making process more generally. Only informed users and informed providers make optimal choices.

63. In many countries, the existing mechanisms to generate necessary information are inadequate. This is particularly the case at the level where information is most often required, namely the local level. When information does exist, it is frequently not sufficiently standardized to enable implementation of relevant or beneficial social service provision and delivery. This can also lead to the inability to monitor and evaluate social service delivery and provision, causing a breakdown in the feedback loop necessary to ensure efficient and equitable outcomes. Moreover, learning from past projects for the sake of future activities is severely curtailed.

64. Sound information management is crucial for any policy to work. In this respect, the creation of a body that is autonomous with respect to other institutions, insofar as structure, financing and decision-making are concerned, may offer an innovative approach to offset the information deficit that has plagued policy implementation in the past. It should, however, feed into the larger system of decision-making, monitoring and resource allocation. This body should be mandated to provide relevant information to all concerned parties in a timely and open manner.

65. There should also be decentralized information networks that are able to respond to rapid social, economic and political changes. These networks could function as "early warning systems" and supplement the efforts of official information management activities.

66. For any information system to operate properly, trained information specialists will be required. These specialists should be connected to the communities that they serve and have a stake in the outcome of policy initiatives.

67. Ongoing evaluation and monitoring are an integral part of all policies and programmes. This should be reflected throughout the project process including the pre-planning, financing and post-implementation stages. The design of any project or programme to deliver social services should automatically include provision for information gathering, monitoring and evaluation, and mechanisms to ensure that these activities take place. Information management is no "add-on" but is essential to sound policy-making.

68. Apart from its instrumental role in generating awareness, monitoring situations and evaluating

performances, information should also be regarded as a vital social service in itself, all the more important in areas where failure to provide it is likely to result in gross malfunctions of social institutions or undermine social justice. The importance of information has long been recognized in the political arena, where a number of institutions, such as a free press, have been devised precisely to prevent these undesirable developments. Outside the political sphere, however, few institutions that produce, accumulate and disseminate information are held in similar respect and enjoy a comparable constitutional status, and little has been done to secure the average citizen's access to information that may affect his or her activities and well-being, even though it appears to be generally understood that restricting access to information facilitates its abuse and the manipulation of the less informed. It is therefore necessary to give priority to improving access to information for all. It must be recognized that such access is a social right which should be legally protected by society.

69. While a vast amount of information is being collected and made available by public agencies, there has been a tendency for the relative volume of such information to decline in relation to proprietary information collected and marketed by private firms. Governments need to be alert to the possibility that information essential for people to make appropriate choices and exercise their rights effectively might gravitate from the public to the private domain, where it may only be available for a fee, thus putting persons less well off at a disadvantage.

70. The Expert Workshop was convened to consider issues related to innovations in the delivery and financing of social services. Every society needs strong, effective and appropriate social services to promote the lofty and inspirational goals — namely, to eradicate poverty, to promote productive employment and sustainable livelihoods, and to enhance social integration — set out at the World Summit for Social Development. To ensure that services live up to expectations for effective and efficient provision and actually contribute to reaching the Copenhagen goals, concerted and long-term efforts will be required by all the social actors. There is no secret formula that countries can adopt to solve their social problems or guarantee effective social services. Progress will come through trial and error. Innovation and the desire to continually improve services must be foremost among the goals of programme planners and administrators; and yet we also must acknowledge that there are many things that can and should be done — things that could be done quickly — without substantial increases in resources. Many ideas were discussed at this Expert Workshop that can lead to improved social services in countries at all levels of development, and we trust that the statements and suggestions contained in the present report will prove useful to the members of the Commission for Social Development as they undertake their deliberations. However, we would be remiss if we did not also state that progress in provision and true innovation in the delivery and financing of social services will lie in the ability of politicians and programme administrators to make hard choices and take concrete actions so that what we know can and should be done will indeed be done.

Notes

[a] *Report of the World Summit for Social Development, Copenhagen, 6–12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex II.

[b] *Alma-Ata 1978: Primary Health Care. Report* of the *International Conference on Primary Health Care, Alma-Ata, Union of Soviet Socialist Republics, 6–12 September 1978*, "Health for All" Series, No. 1 (Geneva, WHO, 1978), reprinted 1983.

[c] New York, Oxford University Press, 1993.

[d] See *Report of the World Summit for Social Development, Copenhagen, 6–12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex I, sect. C, para. 29.

Appendix

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